EXHIBIT "B"

SCHEDULE SHOWING THE PERCENTAGE AND KIND OF OWNERSHIP OF OIL AND GAS INTERESTS

SALTYS UNIT AREA

GRANT COUNTY, NEW MEXICO

| FEDERA | OF L LA T26s | ACRES 483.10 | DATE OF LEASE H NM-3/2342 | PERCENTAGE U.S.AAll | PERCENTAGE Exploration | PERCENTAGE n Wolf and Este | PERCENTAGE Williams Exploration |
|--------|---|-----------------|------------------------------------|---------------------|---|---------------------------------------|---|
| | T26S-R15W, N.M.P.M. Sec. 5: SW\(\frac{1}{2}\) Sec. 7: Lots 3,4, E\(\frac{1}{2}\)SW\(\frac{1}{2}\) Sec. 8: SW\(\frac{1}{2}\) | 483.10 | NM-3/2342 Effective 3-1-80 Expires | U.S.AA11 | Williams Exploration Company Marvin Wolf and Estelle Wolf 40% | Marvin Wolf and Estelle Wolf 3.75% | Williams Explorati Company Marvin Wolf and Es Wolf |

BEFORE EXAMINER QUINTANA OIL CONSERVATION DIVISION 60% le 40%

EXHIBIT NO. 3

| | | | | | 2. |
|--------------------|-------------|-------------|-----------|-------------------|-------------------------|
| | Sec. 8: NEX | Sec. 7: NE% | SZNEZ | Sec. 5: Lots 1,2, | T26S-R15W, N.M.P.M. |
| | | | | | 435.70 |
| Expires 2-28-90 | | 3-1-80 | Effective | | WM-3 2 342-A |
| | | | | | U.S.AAll |
| | | | | Getty Oil Company | Marathon Oil Company |
| | | | | 40% | 60% |
| | | | | Wolf 6.25% | Marvin Wolf and Estelle |

| | | • |
|-----------------|--|--|
| | T26S-R15W, N.Μ.Ρ.Μ. Sec. 5: SEλ Sec. 7: SEλ Sec. 8: SEλ | 1268-R15W, N.M.P.M. 439 Sec. 5: Lots 3,4, S½NW½ Sec. 7: Lots 1,2, ½NW½ Sec. 8: NW½ |
| | 480.00 | 439.27 ½NW¼ |
| Expires 2-28-90 | WM-3 2 342-C Effective 3-1-80 | NM-32342-B Effective 3-1-80 Expires 2-28-90 |
| | U.S.AAll | U.S.AA11 |
| | Phoenix Resources Company 100% | Marshall R. Young Oil Co. 100% |
| | Marvin Wolf and Estelle Wolf 6.25% | Marvin Wolf and Estelle Wolf 6.25% |

| 6. | . | |
|--|--|--|
| T26S-R15W, N.M.P.M. 160.00 Sec. 3: SW½ | T25S-R14W, N.M.P.M. 2,438.21 Sec. 19: Lots 1,2,3, 4, E½W½, NE¾, E½SE¾ T25S-R15W, N.M.P.M. Sec. 22: N½ Sec. 23: NE¾, S½NW¼, E½SE¾ Sec. 25: S½N½, N½S½ Sec. 25: S½N½, N½S½ Sec. 26: S½NE¼, E½NW¼, NE¾NE¾ Sec. 28: S½NE¼, E½NW¼, NE¾NE¾ Sec. 28: S½ | |
| 00 NM-34286 Effective 6-1-81 Expires 5-30-91 | 21 NM-34139 Effective 2-1-81 Expires 1-31-91 | |
| U.S.AA11 | U.S.AA11 | |
| Williams Exploration Company Marvin Wolf and Estelle Wolf | Texaco Inc. | |
| Marvin Wolf and Estelle 60% Wolf 3.75% | 100% None | |
| Williams Exploration Company Marvin Wolf and Estelle Wolf | Texaco Inc. | |
| 60% 1e 40% | 100% | |

| | 7. | |
|-----------------|--|--|
| | T26S-R15W, N.M.P.M. Sec. 3: Lots 1,2, Shyneh | |
| | 113.16 | |
| Expires 5-30-91 | NM-34286-A Effective 6-1-81 | |
| | U.S.AA11 | |
| | Marathon Oil Company Getty Oil Company | |
| | 40% 704 | |
| | Marvin Wolf and Estelle Wolf 6.25% | |
| | Marathon Oil Company Getty Oil Company | |
| | 60% 40% | |

| 12. | 11. | 10. |
|--|--|--|
| T25S-R15W, N.M.P.M. Sec. 14: W2NW4 Sec. 15: NW4 Sec. 24: W2NW4 | 1258-R15W, N.M.P.M. Sec. 14: NE% Sec. 15: N%NE% Sec. 24: N%NE% | T25S-R15W, N.M.P.M. Sec. 15: SW% |
| 320.00 | 320.00 | 160.00 |
| NM-34287-B Effective 3-1-80 | NM-34287-A Effective 3-1-80 Expires 2-28-90 | NM-34287 Effective 3-1-80 Expires 2-28-90 |
| U.S.AA11 | U.S.AAll | U.S.AA11 |
| Marshall R. Young Oil Co. M | Marathon Oil Company 60% M Getty Oil Company 40% | Williams Exploration M Company 60% Marvin Wolf and Estelle Wolf 40% |
| Marvin Wolf and Estelle Wolf 6.25% | Marvin Wolf and Estelle Wolf 6.25% | Marvin Wolf and Estelle Wolf 3.75% |
| Marshall R. Young Oil Co. 100% | Marathon Oil Company 60% Getty Oil Company 40% | Williams Exploration Company Marvin Wolf and Estelle Wolf |

Expires 2-28-90

| 15. | 14. | |
|---|---|---|
| . T25S-R14W, N.M.P.M. Sec. 20: NE% Sec. 30: Ε%NE% | . T25S-R14W, N.M.P.M. Sec. 20: SW2 | . T25S-R15W, N.M.P.M. Sec. 14: SE ¹ ζ |
| 240.00 | 160.00 | 160.00 |
| NM-34308-A Effective 12-1-80 Expires 11-30-90 | NM-34308 Effective 12-1-80 Expires 11-30-90 | NM-34287-C Effective 3-1-80 Expires 2-28-90 |
| U.S.AA11 | U.S.AA11 | U.S.AA11 |
| Marathon Oil Company 60% Getty Oil Company 40% | Williams Exploration Company Marvin Wolf and Estelle Wolf 40% | Phoenix Resources Company 100% |
| Marvin Wolf and Estelle Wolf 6.25% | Marvin Wolf and Estelle Wolf 3.75% | Marvin Wolf and Estelle Wolf 6.25% |
| Marathon Getty Oi | Williams Company Marvin V Wolf | Phoenix |

| | | 18. | | | 17. | | | 16. |
|-----------------|--|-----------------|------------------|--|---------------------------|---------------------|-------------------|------------------------------------|
| | Sec. 9: SW% Sec. 10: SW% | -R15W | | Sec. 30: EZSEZ | L- | | | T25S-R14W, N.M.P.M. Sec. 20: NW's |
| | | 320.00 | | | 240.00 | | | 319.49 |
| Expires 9-30-90 | Effective 10-1-80 | NM-34343 | Expires 11-30-90 | Effective 12-1-80 | NM-34308-C | Expires 11-30-90 | Effective 12-1-80 | NM-34308-B |
| | | U.S.AAll | | | U.S.AA11 | | | U.S.AAll |
| | Company 00% Marvin Wolf and Estelle Wolf 40% | Exploration | | ************************************** | Phoenix Resources Company | | | Marshall R. Young Oil Co. |
| | WOII 0.23% | ι Wolf and Este | | WO11 0.23% | n Wolf and Este | | | Marvin Wolf and Estelle Wolf 6.25% |

| Ν. | F |
|--|--|
| 1268-R15W, N.M.P.M. Sec. 9: NW% Sec. 10: NW% | 19. T26S-Ri5W, N.M.P.M. Sec. 9: NE% Sec. 10: NE% |
| 320.00 | 320.00 |
| NM-34343-B Effective 10-1-80 Expires 9-30-90 | NM-34343-A Effective 10-1-80 Expires 9-30-90 |
| U.S.AA11 | U.S.AA11 |
| Marshall R. Young Oil Co. 100% | Marathon Oil Company 60% Getty Oil Company 40% |
| Marvin Wolf and Estelle Wolf 6.25% | Marvin Wolf and Estelle Wolf 6.25% |
| Marshall R. Young Oil Co. 100 | Marathon Oil Company 60% Getty Oil Company 40% |
| | 320.00 NM-34343-B U.S.AAll Marshall R. Young Oil Co. Marvin Wolf and Estelle Effective 10-1-80 Expires 9-30-90 |

| 24. | 23. | 22. |
|--|--|---|
| T25S-R15W, N.M.P.M. Sec. 19: Lots 3,4, E½SW½ | T25S-R15W, N.M.P.M. Sec. 13: \$\frac{1}{2}\text{SE}\frac{1}{2} | 1258-R15W, N.M.P.M. Sec. 13: NW% |
| 164.75 | 80.00 | 160.00 |
| NM-34682 Effective 6-1-82 Expires 5-30-92 | NM-34369-C Effective 2-1-80 Expires 1-31-90 | NM-34369-B Effective 2-1-80 Expires 1-31-90 |
| U.S.AA11 | U.S.AA11 | U.S.AA11 |
| *Melvin Wolf 100% | Phoenix Resources Company 100% | Marshall R. Young Oil Co. 100% |
| None | Marvin Wolf and Estelle Wolf 6.25% | Marvin Wolf and Estelle Wolf 6.25% |

| 25 | | 25. |
|----------|--|--|
| FEDERAL | Sec. 4: Lots 1,2,3, 4, S2N2, S2 Sec. 6: Lots 1,2,3,4, 5,6,7, SE2, E2SW2, S2NE2, SE2NW2 | T25S-R14W, N.M.P.M. Sec. 29: St, StNWt, NW4NW4 T26S-R15W, N.M.P.M. |
| TRACTS | Lots 1,2,3,4, Sh. | N.M.P.M. 1 52, 52,11122, NW2,11124, N.M.P.M. |
| TOTALING | se ² anw ² a | 1,547.96 (|
| 9,975.32 | | Unleased |
| ACRES | | U.S.AAll |
| OR | | Un |
| 41.88% | | Unleased |
| OF | | |
| TINU | | 100% None |
| AREA | | ne · |
| | | |
| | | Unleased |
| | | 100% |

STATE LANDS:

| 28. | 27. | 26. |
|--|---|-------------------------------------|
| T25S-R14W, N.M.P.M. Sec. 30: Lots 3,4, E½SW½ | T25S-R14W, N.M.P.M. Sec. 29: NE% | T25S-R14W, N.M.P.M. Sec. 29: NEXNWX |
| 160.09 | 160.00 | 40.00 |
| LH-1436-1 Expires 3-1-92 | LH-1435-1 Expires 3-1-92 | LH-1435 Expires 3-1-92 |
| State of New Mexico- All | State of New Mexico- All | State of New Mexico- All |
| Williams Exploration Company Melvin Wolf | Marathon Oil Company Getty Oil Company | Marshall R. Young Oil Co. 100 |
| None 60% 40% | 60% None 40% | Co. None 100% |
| Williams Exploration Company Melvin Wolf | Marathon Oil Company Getty Oil Company | Marshall R. Young Oil Co 1 |

60% 40%

60% 40%

| | | 29. |
|----------------|-------------------|----------------------|
| | Sec. 30: W2E/2 | |
| | | 160.00 |
| Expires 3-1-92 | | LH-1436-2 |
| A11 | New Mexico- | State of |
| | Getty Oil Company | Marathon Oil Company |
| | 40% | 60% None |
| | Getty Oil Company | Marathon Oil Company |
| | 40% | 60% |

| 30. | 29. |
|---------------------------------------|--------------------|
| T25S-R15W, N.M.P.M. Sec. 13: 125E1 | Sec. 30: W2E/2 |
| 80.00 | 160.00 |
| LH-1441 Expires | Expires 3-1-92 |
| State of New Mexico- All | New Mexico- All |
| Marshall R. Young Oil Co. None | Getty Oil Company |
| Co. | 40% |
| None | None |
| | |

| 31. | 30. |
|----------------------------------|--|
| T25S-R15W, N.M.P.M. Sec. 13: SW% | T25S-R15W, N.M.P.M. Sec. 13: 1258-1252 |
| 160.00 | 80.00 |
| LH-1441-1 Expires 3-1-92 | LH-1441 Expires 3-1-92 |
| State of New Mexico- All | State of New Mexico- All |
| Marvin Wolf | Marshall R. Young Oil Co. None |
| 100% None | Co. 100% |
| None | None |

| 0 | | |
|-------------|--|---|
| Marvin Wolf | | |
| 100% None | | |
| None | | |
| | | |
| Marvin Wolf | | |
| 100% | | |
| 100% | | - |

Marshall R. Young Oil Co. 100%

| 34. | ယ့ | 32. |
|--|---|---|
| T25S-R15W, N.M.P.M. Sec. 22: SW4 | T25S-R15W, N.M.P.M. Sec. 14: S2NW2 Sec. 22: SE2 Sec. 23: N2NW2 | 1258-R15W, N.M.P.M. Sec. 13: ΝΕλ |
| 160.00 | 320.00 | 160.00 |
| LH-1442-1 Expires 3-1-92 | LH-1442 Expires 3-1-92 | LH-1441-2 Expires 3-1-92 |
| State of New Mexico- All | State of New Mexico- All | State of New Mexico- All |
| Williams Exploration Company Melvin Wolf | Marshall R. Young Oil Co. 100 | Marathon Oil Company Getty Oil Company |
| None 60% 40% | Co. None | 60% None 40% |
| Williams Exploration Company Melvin Wolf | Marshall R. Young Oil | Marathon Oil Company Getty Oil Company |
| %00 %00 % | 0i1 Co. 100% | %04 %09 |

| 37. | 36. | 35. |
|---|--|--|
| T25S-R15W, N.M.P.M. Sec. 16: NE%, SW% | T25S-R15W, N.M.P.M. Sec. 16: NW¼, SE¼ | T25S-R15W, N.M.P.M. Sec. 14: SW\(\frac{1}{2}\) Sec. 18: Lots 3,4, E\(\frac{1}{2}\) Sec. 23: W\(\frac{1}{2}\)SW\(\frac{1}{2}\), W\(\frac{1}{2}\)Sec. 23: W\(\frac{1}{2}\)SW\(\frac{1}{2}\) |
| 320.00 | 320.00 | 486.33 5W4 |
| LH-1443-1 Expires 3-1-92 | LH-1443 Expires 3-1-92 | LH-1442-2 Expires 3-1-92 |
| State of New Mexico- All | State of New Mexico- All | State of New Mexico- All |
| Marathon Oil Company Getty Oil Company | Marshall R. Young Oil Co. 100 | Williams Exploration Company Marvin Wolf |
| 60% None 40% | Co. None 100% | None 60% 40% |
| Marathon Oil Company Getty Oil Company | Marshall R. Young Oil Co. 10 | Williams Exploration Company Marvin Wolf |
| %0% %09 | Co. 100% | 60% 40% |

| 40. | 3 9 | ა 8 |
|--|--|--|
| 125S-R15W, N.M.P.M. Sec. 17: E½ Sec. 18: NE½ | 1258-R15W, N.M.P.M. Sec. 17: SW ¹ / ₂ | T25S-R15W, N.M.P.M. Sec. 17: Nw½ Sec. 18: Lots 1,2, E½NW½, SE½ |
| 480.00 | 160.00 | 486.89 |
| LH-1444-3 Expires 3-1-92 | LH-1444-1 Expires 3-1-92 | LH-1444 Expires 3-1-92 |
| State of New Mexico- All | State of New Mexico- All | State of New Mexico- All |
| Marathon Oil Company Getty Oil Company | Williams Exploration Company Marvin Wolf | Marshall R. Young Oil Co. |
| % 04 % 09 | %04 %09 | Co. 100% |
| None | None | None |

Marathon Oil Company Getty Oil Company

Williams Exploration Company Marvin Wolf

Marshall R. Young Oi

| | | | 41. |
|--------------|---------|--------------------|---------------------------|
| Sec. 20: NWX | E'SNW'Z | Sec. 19: Lots 1,2, | T25S-R15W, N.M.P.M. |
| | | | 325.61 |
| 3-1-92 | Expires | | LH-1445 |
| | A11 | New Mexico- | State of |
| | | 100% | Marshall R. Young Oil Co. |
| | | | None |

Marshall R. Young

| | | | 42. |
|--------|-------------|-------------|----------------------|
| | | Sec. 20: 5½ | T25S-R15W, N.M.P.M. |
| | | | 320.00 |
| 3-1-02 | Expires | | LH-1445-1 |
| | A11 | New Mexico- | State of |
| | Marvin Wolf | Company | Williams Exploration |
| | 40% | 60% | None |

| | 43. | |
|-------------------|---------------------|----------------|
| Sec. 20: NE% | T25S-R15W, N.M.P.M. | |
| | 480.00 | |
| Expires 3-1-92 | LH-1445-2 | Expires 3-1-92 |
| All | State of | All |
| serry off company | | Marvin Wolf |
| 9 | 60% None | 40% |
| | | |

Williams Explorat Company Marvin Wolf

Marathon Oil Comp Getty Oil Company

| 46. | 45. | 44. |
|---|--|---------------------------------------|
| T25S-R15W, N.M.P.M. Sec. 21: NE% | T25S-R15W, N.M.P.M. Sec. 21: SW1/4 | T25S-R15W, N.M.P.M. Sec. 21: NW%, SE% |
| 160.00 | 160.00 | 320.00 |
| LH-1446-2 Expires 3-1-92 | LH-1446-1 Expires 3-1-92 | LH-1446 Expires 3-1-92 |
| State of New Mexico- All | State of New Mexico- All | State of New Mexico- All |
| Marathon Oil Company Getty Oil Company | Williams Exploration Company Melvin Wolf | Marshall R. Young Oil Co. 100% |
| 204 | 60% 40% | Co. 100% |
| None | None | None |

Williams Exploration Company Melvin Wolf

Marshall R. Young O:

Marathon Oil Compan: Getty Oil Company

| 49. | 48. | 47. |
|--|--|---|
| T25S-R15W, N.M.P.M. Sec. 26: W\(\)SE\(\) Sec. 34: S\(\)SE\(\) Sec. 35: W\(\)SE\(\) | T25S-R15W, N.M.P.M. Sec. 24: SW4, S\(\frac{1}{2}\)NE\(\frac{1}{2}\)Sec. 25: N\(\frac{1}{2}\)NE\(\frac{1}{2}\)NE\(\frac{1}{2}\) | T25S-R15W, N.M.P.M. Sec. 24: SE¼, S½NW¼ Sec. 25: №አNW¼, S½SE¼ |
| 240.00 | 400.00 | 400.00 |
| LH-1448 Expires 3-1-92 | LH-1447-1 Expires 3-1-92 | LH-1447 Expires 3-1-92 |
| State of New Mexico- All | State of New Mexico- All | State of New Mexico- All |
| Marshall R. Young Oil Co. None 100% | Marathon Oil Company 60% None Getty Oil Company 40% | Marshall R. Young Oil Co. None 100% |
| | | |

Marathon Oil Company Getty Oil Company

60% 40% Marshall R. Young Oil Co. 100%

Marshall R. Young Oil Co. 100%

| 52. | 51. | 50. |
|--|---|---|
| 125S-R1 Sec. 33 | 1258-R. | T258-R15W, N.M.I Sec. 34: \$\frac{1}{2}SW\frac{1}{2} |
| 5W, N. 3: S2S 5: S2S | 15W, N. | 15W, N. |
| T25S-R15W, N.M.P.M. Sec. 33: S\2SE\2 Sec. 35: S\2SW\2, W\2NE\2 | T25S-R15W, N.M.P.M. Sec. 33: W½SW¼, SE¼SW½ | T258-R15W, N.M.P.M. Sec. 34: \$25W4 |
| | 1 2 2xsw1x | · |
| 240.00 | 120.00 | 80.00 |
| LH-1448-3 Expires 3-1-92 | LH-1448-2 Expires 3-1-92 | LH-1448-1 Expires 3-1-92 |
| .48-3 .es | .48-2 .ees | .48-1 .es |
| Sta Ne Al | Sta Ne A1 | Sta Ne Al |
| State of New Mexico- All | State of New Mexico- All | State of New Mexico- All |
| | | |
| faratho etty (| Melvin Wolf | Marvin Wolf |
| Marathon Oil Comp Getty Oil Company | Wolf | Wolf |
| Marathon Oil Company Getty Oil Company | | |
| 7040% | 100% | 100% |
| None | None | None |
| | | |
| | | |
| | | |
| | | |
| Marath Getty | Melvin Wolf | Marvin Wolf |
| Marathon Oil Comp. Getty Oil Company | Wolf | Wolf |
| Marathon Oil Company Getty Oil Company | | |
| | 10 | 100% |
| %04 %09 | 100% | 0 % |
| | | |

| 55. | 54. | 53. |
|-------------------------------------|-------------------------------------|----------------------------------|
| T25S-R15W, N.Μ.Ρ.Μ. Sec. 29: Νωλ | T25S-R15W, N.Μ.Ρ.Μ. Sec. 28: NE¾ | T25S-R15W, N.M.P.M. Sec. 28: NW% |
| 160.00 | 160.00 | 160.00 |
| LH-1450 | LH-1449-1 | LH-1449 |
| Expires | Expires | Expires |
| 3-1-92 | 3-1-92 | 3-1-92 |
| State of | State of | State of |
| New Mexico- | New Mexico- | New Mexico- |
| All | All | All |
| Marshall R. Young Oil Co. None | Marathon Oil Company 60% None | Marshall R. Young Oil Co. None |
| 100% | Getty Oil Company 40% | 100% |
| Marshall R. Young Oil Co. | Marathon Oil Company 60% | Marshall R. Young Oil Co. |
| 100% | Getty Oil Company 40% | 100% |

| 58. | 57. | 56. |
|---|---|-------------------------------------|
| T25S-R15W, N.M.P.M. Sec. 35: NW%, E2SE% | T25S-R15W, N.M.P.M. Sec. 29: E2 | T25S-R15W, N.M.P.M. Sec. 29: SW% |
| 240.00 | 320.00 | 160.00 |
| LH-1451 Expires 3-1-92 | LH-1450-2 Expires 3-1-92 | LH-1450-1 Expires 3-1-92 |
| State of New Mexico- All | State of New Mexico- All | State of New Mexico- All |
| Marshall R. Young Oil Co. | Marathon Oil Company Getty Oil Company | Melvin Wolf |
| ₩ | 60% 40% | 100% |
| None | None | None |
| Marshall R. Young Oil | Marathon Oil Company Getty Oil Company | Melvin Wolf |
| Co. 100% | 40% | 100% |

| 61. | 60. | 59. |
|----------------------------------|--|--|
| T25S-R15W, N.M.P.M. Sec. 36: SW% | T25S-R15W, N.M.P.M. Sec. 36: NW\(\frac{1}{3} \) | 1258-R15W, N.Μ.Ρ.Μ. Sec. 35: Ν2SW4, Ε2ΝΕ4 |
| 160.00 | 160.00 | 160.00 |
| LH-1452-1 Expires 3-1-92 | LH-1452 Expires 3-1-92 | LH-1451-1 Expires 3-1-92 |
| State of New Mexico- All | State of New Mexico- All | State of New Mexico- All |
| Melvin Wolf | Marshall R. Young Oil Co. 100 | Marathon Oil Company Getty Oil Company |
| 100% None | Co. 100% | %04 %04 |
| None | None | None |
| Melvin Wolf | Marshall R. Young Oil | Marathon Oil Company Getty Oil Company |
| 100% | 1 Co. 100% | 40% |

| S | | 62. |
|---------------------|-------------------|----------------------|
| | Sec. 50: E2 | T25S-R15W, N.M.P.M. |
| | | 320.00 |
| N) t V) t | Expires 3-1-92 | LH-1452-2 |
| o f | All | |
| Water Fold D. Water | serry off company | Marathon Oil Company |
| | 9 | 60% |
| N O | | None |

| 64. | 63. |
|------------------------------------|---|
| T25S-R14W, N.M.P.M. Sec. 19: W2SE2 | T25S-R15W, N.M.P.M. Sec. 15: SE%, S%NE% |
| 80.00 | 240.00 |
| Not Yet Issued | Not Yet Issued |
| State of New Mexico- All | State of New Mexico- All |
| Marshall R. Young Oil Company | Marshall R. Young Oil Company |
| 100% | 100% |
| None | None |

Marshall R. Young Oil Company

| 5W, N.M.P.M. | 320.00 | LH-1452-2 Expires 3-1-92 | State of New Mexico- All | Marathon Oil Company Getty Oil Company | %04 %06 %06 | None |
|---------------|--------|--------------------------|--------------------------------|---|-------------------|------|
| 5W, N.M.P.M. | 240.00 | Not Yet Issued | State of New Mexico- All | Marshall R. Young Oil Company | 100% | None |
| .4W, N.M.P.M. | 80.00 | Not Yet | State of | Marshall R. Young | | None |

Marshall R. Young Oil Company

Marathon Oil Company Getty Oil Company

| 67. | 66. | 65. |
|--|--|--|
| T25S-R15W, N.M.P.M. 640.00 Sec. 32: All | T25S-R15W, N.M.P.M. 767.10 Sec. 30: Lots 1,2,3, 4, E½W½, E½ (A11) Sec. 33: №2SE¼, NE¼SW¾ | T25S-R15W, N.M.P.M. 1,000.00 Sec. 26: NW\(\frac{1}{2}\)NW\(\frac{1}{2}\), W\(\frac{1}{2}\)NW\(\frac{1}{2}\), E\(\frac{1}{2}\)Sec. 27: N\(\frac{1}{2}\), E\(\frac{1}{2}\)Sec. 34: W\(\frac{1}{2}\)NW\(\frac{1}{2}\), NE\(\frac{1}{2}\)Sec. 34: NW\(\frac{1}{2}\)Sec. 34: NW\(\frac{1}{2}\)Sec. NE\(\frac{1}{2}\)Sec. 34: NW\(\frac{1}{2}\)Sec. 34: NW\(\frac{1}2\)Sec |
| Not Yet Issued | LG-5797 Expires 10-1-88 | Not Yet Issued |
| State of New Mexico- All | State of New Mexico- All | State of New Mexico- All |
| Marshall R. Young Oil Company | Texaco Inc. | Marshall R. Young Oil Company |
| None 100% | 100% None | None 100% |
| Marshall R. Young Oil Company | Texaco Inc. | Marshall R. Young Oil Company |
| | 100% | 100% |

| | | 68. |
|-------------------|---------------------|---------------------|
| 4, S½N½, S½ (all) | Sec. 2: Lots 1,2,3, | T26S-R15W, N.M.P.M. |
| (all) | | 545.04 |
| | Issued | Not Yet |
| A11 | New Mexico- | State of |
| | Oil Company | Marshall R. Young |
| | 100% | None |

Marshall R. Young Oil Company

| 69. | |
|---|--|
| 126S-R16W, N.M.P.M. Sec. 1: Lots 1, 2, 3, 4, S2N2, S2 (A11) | |
| 553.68 | |
| Not Yet Issued | |
| State of New Mexico- All | |
| Marshall R. Young Oil Company | |
| 100% No | |
| None | |

| T26S-R16W, N.M.P.M. Sec. 1: Lots 1, 2, 3, | 4, 5½N½, 5½ (all) |
|--|-------------------|
| 553.68 | (all) |
| Not Yet Issued | |
| State of New Mexico- | ALL |
| Marshall R. Young Oil Company | |
| None 100% | |

| 70 | - | 70. | 44 |
|--------------------|----------|---|-----------|
| 70 TRACTS TO | PATENTED | 70. T25S-R15W, Sec. 27: Sec. 31: Sec. 34: | STATE |
| TOTALING | TRACT | N.M.P.M. SW1, W2SE1 Lots 1, 2, 3 E16W2, E2 (W2NE2, E2 NW2NE2, E2N NE2SW1, NW | TRACTS |
| | TOTALING | 2.72 | TOTALING |
| 23,822.78 ACRES IN | 1,122.72 | Unleased | 12,724.74 |
| IN IN | ACRES | K.C.L. Corp. | ACRES |
| UTT | OR | Corporation | OR |
| AREA | 4.71% | 100% | 53.41% |
| | OF | Unleased | OF |
| | TINU | Ĕ. | UNIT |
| | AREA | 100% None | AREA |



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Roswell District Office
P. O. Box 1397
Roswell, New Mexico 88201

IN REPLY REFER TO:
Saltys Unit 3180(065)

July 25, 1985

| BEFORE EXAMINER QUINTANA | E STATE OF THE STA |
|---------------------------|--|
| OIL CONSERVATION DIVISION | |
| MARSHALL EXHIBIT NO. 4 | |
| CASE NO. P655 | _ |
| | |

Edmundson & Associates P.O. Box 1707 Denver, CO 80201

Gentlemen:

Your application of June 25, 1985, filed with the BLM by Edmundson & Associates on your behalf requests the designation of the Saltys Unit area, embracing 23,822.14 acres, more or less, Grant County, New Mexico, as logically subject to exploration and development under the unitization provisions of the Mineral Leasing Act as amended, for all formations.

Pursuant to unit plan regulations 43 CFR 3180, the land requested as outlined on your plat marked Marshall R. Young Oil Co., Saltys Unit, Grant County, New Mexico is hereby designated as a logical unit area for all depths.

The unit agreement submitted for the area designated should provide for a well to test the base of the El Paso formation, or to a depth of 10,000 feet. Your proposed use of the Form of Agreement for Unproved Areas will be accepted with the modifications requested in your application and the corrections applied as requested by the Bureau of Land Management and shown in red on the enclosed Form of Agreement.

If conditions are such that further modification of said standard form is deemed necessary, three copies of the proposed modifications with appropriate justification must be submitted to this office for preliminary approval.

In the absence of any type of land requiring special provisions or any objections not now apparent, a duly executed agreement identical with said form, modified as outlined above, will be approved if submitted in approvable status within a reasonable period of time. However, notice is hereby given that the right is reserved to deny approval of any executed agreement submitted which in our opinion, does not have the full commitment of sufficient lands to afford effective control of operations in the unit area.

When the executed agreement is transmitted to the BLM for approval, include the latest status of all acreage. In preparation of Exhibits "A" and "B", follow closely the format of the sample exhibits attached to the reprint of the aforementioned form.

GEOLOGICAL REPORT PROPOSED SALTYS UNIT AREA GRANT COUNTY, NEW MEXICO

| | E EXAMINER QUINTANA |
|---------------|----------------------------------|
| para contract | CONSERVATION DIVISION EXHIBIT NO |
| | 8655 |

INTRODUCTION

Marshall R. Young Oil Co. proposes the formation of a Federal Unit to be known as the Saltys Unit covering approximately 23,822.78 acres. The outline of the proposed unit is shown on the attached map, labeled Exhibit "A". It is located approximately 20.5 miles southeast of Lordsburg, New Mexico, in Grant County.

GEOLOGY

The proposed Saltys Unit is located on the northeast flank of the Pedregosa Basin of southwest New Mexico. Seismic exploration has delineated an anticline trending east to west bounded on the north and west by faults. The time structure map of the top of the Lower Paleozoics, Exhibit "C", indicates approximately 300 milliseconds of structural closure on the anticline with 500 milliseconds of lateral closure into the faults.

The nearest drilling is 3.5 miles west at a location in Section 14, Township 25 South, Range 16 West. The nearest production is 190 miles east in Lea County, New Mexico.

Primary objectives are the Paleozoic carbonates and Cretaceous sandstones which have yielded shows of oil and gas in several wells drilled in this basin. There is no production in the basin.

DELINEATION OF THE UNIT AREA

The potential producing area of the proposed Saltys Unit is defined as the area south of an east-west trending down to the north normal fault and within the 1.500 second contour that closes into the north and west bounding faults of the unit. All full sections, at least 30% of which lie within the potential producing area, have been included in the unit outline. The 30% cut-off figure was used to limit the size of the area to under 25,000 acres, the maximum allowable acreage for a one well drilling obligation under Bureau of Land Management guidelines.

Proposed Saltys Unit Area Grant County, New Mexico Page 2

PROPOSED UNIT WELL

The initial unit well will be drilled in the northeast quarter of Section 33, Township 25 South, Range 15 West, to the base of the El Paso Formation or 10,000 feet, whichever is less.